

Message Text

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ACTION ARA-14

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FM AMEMBASSY BOGOTA
TO TREASURY DEPT WASHDC NIACT IMMEDIATE
SECSTATE WASHDC NIACT IMMEDIATE 9353
INFO USICA WASHDC IMMEDIATE

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TREASURY FOR SECRETARY'S OFFICE

E.O. 11652: N/A
TAGS: PDIP, OVIP, CO
SUBJ: POSSIBLE PRESS STATEMENT AND QUESTIONS
FOR SECRETARY BLUMENTHAL

1. EMBASSY IS NOT PLANNING FORMAL PRESS CONFERENCE FOR SECRETARY BLUMENTHAL HOWEVER LOCAL MEDIA EXPRESSED INTEREST IN SECRETARY'S VISIT AND WILL PROBABLY BE AT AIRPORT WHEN HE ARRIVES. FOLLOWING DRAFT OF ARRIVAL STATEMENT AND QUESTIONS WHICH MIGHT BE ASKED BY REPORTERS ARE BEING FORWARDED FOR SECRETARY BLUMENTHAL'S CONSIDERATION IN CASE HE IS APPROACHED BY THE PRESS:
STATEMENT: "IT IS A GREAT PLEASURE TO BE IN BOGOTA, THE CAPITAL OF A COUNTRY KNOWN FOR ITS DEMOCRATIC FORM OF GOVERNMENTN ITS SUPPORT OF HUMAN RIGHTS AND ITS GENUINE SPIRIT OF INTERNATIONAL COOPERATION. I AM ALSO PLEASED TO BE REPRESENTING PRESIDENT JIMMY CARTER ON THE MEMORABLE OCCASSION OF THE INAUGURATION OF THE NEW COLOMBIAN PRESIDENT JULIO CESAR TURBAY, WHO, AS FORMER MINISTER OF FOREIGN RELATIONS, DELEGATE TO THE UNITED NATIONS AND AMBASSADOR TO THE UNITED STATES, IS NOT A STRANGER TO US IN THE UNITED STATES OR
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TO THE INTERNATIONAL COMMUNITY.
COLOMBIA AND THE UNITED STATES AS FRIENDLY NATIONS HAVE COOPERATED IN MANY AREAS. AS IN THE PAST, THE MUTUAL PROBLEMS WHICH WE FACE TODAY AND IN THE FUTURE DEMAND CONTINUAL COOPERATION.
I HAVE LOOKED FORWARD TO MEETING WITH COLOMBIAN OFFICIAL STO PRESENT THE BEST WISHES OF PRESIDENT CARTER TO DR. TURBAY AND THE PEOPLE OF COLOMBIA." END STATEMENT.

2. BELOW ARE QUESTIONS WHICH SECRETARY BLUMENTHAL MAY RECEIVE FROM THE PRESS DURING HIS VISIT TO COLOMBIA. GUIDANCE FOR ANSWERS ARE INCLUDED WHERE THE QUESTION IS SPECIFIC TO COLOMBIA.

A) QUESTION: WHAT IS THE STATUS OF THE COUNTERVAILING DUTY CASE AGAINST COLOMBIAN TEXTILE EXPORTS? WILL THE USG IMPOSE COUNTERVAILING DUTIES AS IN THE CASE OF LEATHER HANDBAGS?

ANSWER: NO FINAL DECISION HAS YET BEEN MADE BY THE USG ON THIS CASE. THE PETITION REQUESTING CVD'S IS BEING STUDIED BY THE DEPARTMENT OF THE TREASURY AND I BELIEVE THAT THE GOC IS PARTICIPATING IN THE STUDY. A FINAL DECISION IS EXPECTED IN NOVEMBER. AS YOU MAY KNOW, USG LEGISLATION MANDATES THAT EXPORT SUBSIDIES NOT PERMITTED UNDER GATT REGULATIONS MUST BE COUNTERVAILED. IN ACCORDANCE WITH GATT REGULATIONS, DIRECT TAXES CAN NOT BE SUBSIDIZED BY THE EXPORTING COUNTRY'S GOVERNMENT AND THUS ARE COUNTERVAILABLE UNDER U.S. LAW. IN THE CASE OF LEATHER HANDBAGS, THE USG HAS NOT IMPOSED COUNTERVAILING DUTIES; RATHER COLOMBIAN EXPORTERS ARE VOLUNTARILY FOREGOING PART OF THE GOC EXPORT SUBSIDY (CAT) WHICH OFFSETS THE DIRECT TAXES.

B) QUESTION: WHY IS THE U.S. GSP SO RESTRICTIVE? WILL THE USG ALLOW MORE COLOMBIAN PRODUCTS TO BE IMPORTED INTO THE U.S. WITH DUTY FREE TREATMENT?

ANSWER: I UNDERSTAND THAT THE GOC HAS SUBMITTED ITS LIST OF PRODUCTS FOR INCLUSION UNDER GSP. THE INTER-AGENCY TRADE STAFF COMMITTEE IS PRESENTLY STUDYING THIS AND REQUESTS OF OTHER COUNTRIES AND SHOULD HAVE A DECISION WITHIN TWO OR THREE MONTHS. WITH LIMITED OFFICIAL USE

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REGARD TO THE OVERALL GSP ELIGIBILITY LIST AT THE PRESENT TIME, I WOULD SAY THAT THE LIST INCLUDES ALMOST 3,000 PRODUCTS, MORE THAN 500 OF WHICH ARE BEING EXPORTED BY COLOMBIA. I UNDERSTAND THAT COLOMBIA SIGNIFICANTLY INCREASED ITS PARTICIPATION IN THE SYSTEM BETWEEN 1976 AND 1977, FROM \$18 MILLION TO \$25 MILLION. I ALSO UNDERSTAND THAT COLOMBIA BENEFITS MUCH MORE FROM THE U.S. SYSTEM THAN FROM ANY OTHER. WE ARE HOPEFUL THIS INCREASED UTILIZATION WILL CONTINUE.

C) QUESTION: WHY IS THE UNITED STATES BECOMING SO PROTECTIONIST? WHAT IS THE USG DOING TO COMBAT THE PROTECTIONISM AND CONTINUE ITS POLICY OF FREE TRADE?

D) QUESTION: WHY IS THE NEWLY SIGNED COLOMBIAN-AMERICAN BILATERAL TEXTILE AGREEMENT SO RESTRICTIVE?

ANSWER: THE USG BELIEVES THAT THE RECENTLY SIGNED ACCORD IS EQUITABLE AND MUTUALLY BENEFICIAL FOR ALL PARTIES. WITHOUT IT, COLOMBIAN EXPORTS COULD HAVE DECLINED SIGNIFICANTLY. IT MAY BE RESTRICTIVE IN SOME FEW CATEGORIES SUCH AS MEN'S WOOL SUITS WHERE THE ANNUAL INCREASE IS MINIMAL. HOWEVER, I SHOULD POINT OUT THAT OTHER EXPORTERS TO THE U.S. HAVE RECEIVED NO INCREASE AT ALL AND SOME COUNTRIES HAD THEIR QUOTAS REDUCED. ON THE OTHER HAND, THERE ARE SUBSTANTIAL INCREASES IN OTHER CATEGORIES OF INTEREST TO COLOMBIA AND IN FACT QUALITATIVE GROUP LIMITS HAVE BEEN REMOVED

FROM GROUP 1 AND GROUP 2 COMPOSED OF PRODUCTS SUCH AS YARN AND FABRICS. THE SMALLER INCREASES ARISE FROM THE DOMESTIC TEXTILE SITUATION IN THE U.S. WHERE UNEMPLOYMENT AND FACTORY CLOSINGS ARE ON THE RISE BECAUSE OF SUBSTANTIALLY INCREASED IMPORTS OVER A VERY SHORT PERIOD DURING WHICH THERE HAS NOT BEEN TIME FOR AN ORDERLY ADJUSTMENT PROCESS.

E) QUESTION: THE GOC HAS OFFICIALLY ANNOUNCED IT WILL NOT ADHERE TO GATT. HOWEVER, THE RESULTS OF THE MTN IN GENEVA WILL VITALLY AFFECT THE COLOMBIAN ECONOMY. WHEN WILL THE NEGOTIATIONS FINALLY BE CONCLUDED? WHAT DOES THE USG FORESEE AS THE MAJOR RESULTS? ARE THE THIRD WORLD COUNTRIES BEING INCLUDED IN THE NEGOTIATIONS AND ARE THEIR INTERESTS BEING TAKEN INTO CONSIDERATION?

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ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 NSAE-00 NSCE-00

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FM AMEMBASSY BOGOTA

TO TREASURY WASHDC NIACT IMMEDIATE

SECSTATE WASHDC NIACT IMMEDIATE 9354

INFO USICA WASHDC IMMEDIATE

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F) QUESTION: VIOLATIONS OF BASIC HUMAF RIGHTS AND INTERFERENCE IN THE DEMOCRATIC PROCESS HAVE DRAWN CONSIDERABLE UNFAVORABLE ATTENTION RECENTLY TO THE SOVIET UNION AND CERTAIN LATIN AMERICAN COUNTRIES. ATTRACTING LESS ATTENTION FROM THE U.S. HAS BEEN THE GOOD HUMAN RIGHTS RECORD OF COUNTRIES SUCH AS COLOMBIA. HOW DOES THE U.S. PLAN TO SHOW ITS SUPPORT OF SUCH DEMOCRATIC NATIONS, SPECIFICALLY COLOMBIA?

ANSWER: I THINK THAT MY PRESENCE, AND THAT OF ASSISTANT SECRETARY VAKY AND THE REST OF THE U.S. DELEGATION, IS AN INDICATION OF THE U.S. GOVERNMENT'S RECOGNITION OF COLOMBIA'S PRAISEWORTHY TRADITION OF RESPECT FOR DEMOCRATIC PROCESSES. ALTHOUGH, BY MUTUAL AGREEMENT, OUR BILATERAL AID PROGRAMS ARE COMING TO AN END, THE U.S. CONTINUES TO PROVIDE A CONSIDERABLE PORTION OF THE FUNDS WHICH COLOMBIA RECEIVES THROUGH MULTILATERAL ASSISTANCE. IN ADDITION, WE FEEL

THAT THE BILATERAL ASSISTANCE PROGRAMS WHICH REMAIN, INCLUDING THOSE INVOLVING OUR NATIONS' ARMED FORCES, FURTHER CONFIRM OUR ACTIVE INTEREST IN AND SUPPORT OF THE FAVORABLE HUMAN RIGHTS SITUATION IN COLOMBIA.

G) QUESTION: COLOMBIAN VOTERS HAVE ELECTED A PRESIDENT WHO ONCE LIMITED OFFICIAL USE

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SERVED AS AMBASSADOR TO WASHINGTON. WHAT IS YOUR IMPRESSION OF OUR NEW PRESIDENT AND YOUR VIEW OF COLOMBIAN-U.S. RELATIONS?

ANSWER: I HAVE NOT YET MET PRESIDENT TURBAY BUT I KNOW OF HIS FINE ACCOMPLISHMENTS AS AMBASSADOR TO MY COUNTRY AND OF HIS VAST EXPERIENCE AS A POLITICAL LEADER. I'M CERTAIN THAT THE WIDE RANGE OF IMPORTANT POSITIONS HE HAS HELD THROUGHOUT HIS ADMIRABLE CAREER WILL SERVE HIM WELL IN HIS NEW POSITION. I HOPE THAT HIS KNOWLEDGE OF THE UNITED STATES WILL LEAD TO AN EVEN GREATER UNDERSTANDING BETWEEN OUR TWO NATIONS OF OUR COMMON INTERESTS AND NEEDS. OUR RELATIONS ARE BASED ON AN ATTITUDE OF MUTUAL RESPECT AND I AM CONFIDENT THAT PRESIDENT TURBAY WILL CONTRIBUTE GREATLY TO THE STRENGTHENING OF THOSE RELATIONS.

H) QUESTION: THERE HAS BEEN SOME DEBATE HERE ON WHETHER COLOMBIA'S RIGHTS IN THE PANAMA CANAL UNDER THE THOMSON-URRUTIA TREATY ARE PROTECTED IN VIEW OF THE RECENT U.S.-PANAMA TREATIES. WHAT IS YOUR OPINION ON THIS?

ANSWER: I UNDERSTAND THAT PRESIDENT LOPEZ HAS ASSURED THE COLOMBIAN PEOPLE THAT THEIR NATION'S RIGHTS IN THE PANAMA CANAL HAVE BEEN PROTECTED. I BELIEVE THAT THE AGREEMENT WHICH FOREIGN MINISTER LIEVANO SIGNED IN PANAMA IN JULY CONFIRMS THE PRESIDENT'S ASSURANCES, AND THAT COLOMBIA AND PANAMA WILL SETTLE THIS PROBLEM TO THEIR MUTUAL SATISFACTION.

I. QUESTION: ONE UNRESOLVED POLITICAL ISSUE BETWEEN OUR TWO COUNTRIES IS THAT REGARDING THE ISLANDS OF QUITA SUENO, SERRANA, AND RONCADOR. WHAT IS THE PRESENT STATUS OF THE TREATY ON THE SUBJECT WHICH WAS SIGNED, BUT HAS NOT YET BEEN RATIFIED BY THE U.S/ SENATE?

ANSWER: THE DEPARTMENT OF STATE HAS BEEN CONSULTING WITH THE SENATE LIMITED OFFICIAL USE

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FOREIGN RELATIONS COMMITTEE ON THIS SUBJECT IN FULFILLMENT OF PRESIDENT CARTER'S PROMISE TO PRESIDENT LOPEZ IN SEPTEMBER. THE COLOMBIAN AMABASSADOR IN WASHINGTON HAS BEEN KEPT INFORMED OF

THESE CONSULTATIONS. WE HOPE THEY WILL SOON LEAD TO A SOLUTION WHICH IS AS SATISFACTORY AS POSSIBLE TO ALL PARTIES CONCERNED.

ANSWERS NOT PROVIDED FOR QUESTIONS WHICH SEC. MAY WISH TO ANSWER GENERALLY.

J) QUESTION: AS YOU KNOW, COLOMBIA IS AN IMPORTANT SUGAR EXPORTER. WHEN WILL THE USG APPROVE THE U.S. ENTRANCE INTO THE INTERNATIONAL SUGAR ORGANIZATIONS?

K) QUESTION: HIGH OFFICIALS OF THE GOC STATED RECENTLY THAT THE DEVALUATION OF THE U.S. DOLLAR IS REDUCING THE VALUE OF COLOMBIAN FOREIGN RESERVES WHICH ARE PREDOMINATELY HELD IN DOLLARS. WHAT IS THE CURRENT USG POLICY VIS-A-VIS THE VALUE OF THE DOLLAR? WHAT IS THE USG DOING TO SUSTAIN THE DOLLAR'S VALUE? WILL THE USG CONTINUE TO ALLOW THE DOLLAR TO FALL? TO WHAT LEVEL?

L) QUESTION: WITH REGARD TO THE ENERGY SITUATION, WHEN DOES THE USG EXPECT TO HAVE ENERGY LEGISLATION? WHAT WILL BE THE MAJOR COMPONENTS OF THE LAW? WHAT WILL BE THE EFFECTS ON THE U.S. BALANCE OF PAYMENTS?

M) QUESTION: AS YOU KNOW, COFFEE IS THE MAJOR COLOMBIAN EXPORT, ACCOUNTING FOR MORE THAN 50 PERCENT OF EXPORTS. WITH THE RECENT SUBSTANTIAL DECLINE IN THE COFFEE PRICE, COLOMBIAN DEVELOPMENT COULD BE SERIOUSLY HURT. WHAT IS THE USG POLICY WITH REGARD TO COFFEE PRICES AND TO THE INTERNATIONAL COFFEE ORGANIZATION?

N) QUESTION: IS IT AN OFFICIAL U.S. PROPOSAL TO MILITARIZE THE GUAJIRA?

ANSWER: NO, ADMINISTRATOR BENSINGER WAS ONLY STATING HIS OPINION THAT THE DRUG PROBLEM COULD BE REDUCED IF THERE WAS MILITARY PRESENCE IN THE GUAJIRA.
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Message Attributes

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